



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

JUN 10 2010

T:EP:RA:TA2

Re:

Employer =

Dear

This letter constitutes notice that approval has been granted for the change in assumptions as described below. This approval applies for the plan year beginning on January 1, 2006, and has been granted in accordance with section 412(c)(5)(B) of the Internal Revenue Code and section 302(c)(5)(B) of the Employee Retirement Income Security Act of 1974 (ERISA), both prior to amendment by the Pension Protection Act of 2006 ("PPA '06").

In granting this approval, we have considered only the acceptability of the proposed assumptions. Accordingly, we are not expressing any opinion as to the accuracy or acceptability of any calculations or other material submitted with your request. Please note that this letter addresses only issues arising under section 412 of the Code and the approval granted herein should not be read to imply that the Plan as it stands satisfies the requirements of other sections of the Code.

The Employer conducted an experience study from January 1, 2002, through January 1, 2005. According to the information provided by the enrolled actuary for the Plan, the proposed rates are consistent with the actual experience of the Plan during the experience study period. Although the current assumptions differ for various legacy groups under the Plan, it is reasonable to believe that as participants earn benefits under a benefit structure that is consistent across the groups, and as employees are assimilated into the Company's culture, that the differences between the groups would become less distinct.

The proposed changes in assumptions would impact the unfunded actuarial accrued liability and the current liability of the Plan, which form the basis for determining the Plan's minimum funding requirements. IRS approval of the proposed assumptions was

requested because the proposed change in assumptions would decrease the Plan's current liability by more than \$50 million.

This approval applies to the following revised assumptions used under the plan.

Retirement

According to information submitted by the actuary, all participants are covered by cash balance plan formulas, except for a small group comprising about 2 to 3 percent of the active population. The difference in the past benefit structures of the various legacy groups have largely worn away as employees earn benefits under a formula that is consistent across the current employee population. The experience data does not indicate noticeable increases in rates of retirement at ages where subsidized benefits existed under the prior benefit structures.

The proposed rates of retirement applicable to all participant groups are shown in Table I below:

Table I – Rates of Retirement	
Age	Rate
55	.125
56	.125
57	.125
58	.125
59	.125
60	.125
61	.125
62	.175
63	.175
64	.150
65	.250
66	.150
67	.200
68	.300
69	.550
70	1.000

Disability

Information submitted by the Plan's actuary shows that actual rates of disability during the experience study period were significantly higher than the current assumed rates. All groups are covered by the same Long Term Disability program, and the experience data shows little difference among the legacy groups. Accordingly, the proposed rates are higher than the current rates, and one set of rates is proposed for all participants.

The proposed rates of disability applicable to all participant groups are shown in Table II below:

Table II -- Rates of Disability per 1,000 Participants			
Age	Rate	Age	Rate
17	0.67	49	3.92
18	0.64	50	5.29
19	0.63	51	5.29
20	0.63	52	5.29
21	0.63	53	5.29
22	0.63	54	5.29
23	0.63	55	8.99
24	0.63	56	9.00
25	0.76	57	9.01
26	0.76	58	9.01
27	0.76	59	9.02
28	0.76	60	12.78
29	0.76	61	12.85
30	1.05	62	12.83
31	1.05	63	12.83
32	1.05	64	12.90
33	1.05	65	15.99
34	1.04	66	16.22
35	1.58	67	16.42
36	1.58	68	16.62
37	1.58	69	16.83
38	1.59	70	18.70
39	1.59	71	18.61
40	2.31	72	18.95
41	2.31	73	19.00
42	2.32	74	18.80
43	2.32	75	19.26
44	2.31	76	19.28
45	3.92	77	19.53
46	3.91	78	19.94
47	3.91	79	19.76
48	3.92	80	19.69

Termination

According to information submitted by the Plan's actuary, the actual rates of termination before eligibility for retirement were generally consistent across all participant groups, with higher rates of termination for those with less than 5 years of service. The actual

termination rates during the experience study period were generally higher than those expected using the current assumptions

The proposed assumed rates of termination are the same for all participant groups, with higher rates assumed for participants with less than 5 years of service. The proposed rates of termination are shown in Table III below:

Table III -- Rates of Termination					
Year of Employment					
Age	First	Second	Third	Fourth	Fifth and later
15	0.28	0.26	0.24	0.22	0.18
16	0.28	0.26	0.24	0.22	0.18
17	0.28	0.26	0.24	0.22	0.18
18	0.28	0.26	0.24	0.22	0.18
19	0.28	0.26	0.24	0.22	0.18
20	0.28	0.26	0.24	0.22	0.18
21	0.28	0.26	0.24	0.22	0.18
22	0.28	0.26	0.24	0.22	0.18
23	0.28	0.26	0.24	0.22	0.18
24	0.28	0.26	0.24	0.22	0.18
25	0.28	0.26	0.24	0.22	0.18
26	0.28	0.26	0.24	0.22	0.17
27	0.28	0.26	0.23	0.21	0.17
28	0.27	0.25	0.23	0.21	0.16
29	0.27	0.25	0.23	0.20	0.16
30	0.27	0.24	0.22	0.20	0.15
31	0.27	0.24	0.22	0.19	0.14
32	0.26	0.24	0.21	0.19	0.14
33	0.26	0.23	0.21	0.18	0.13
34	0.26	0.23	0.21	0.18	0.13
35	0.25	0.23	0.20	0.18	0.13
36	0.25	0.22	0.20	0.17	0.12
37	0.25	0.22	0.20	0.17	0.12
38	0.25	0.22	0.19	0.17	0.11
39	0.24	0.22	0.19	0.16	0.11
40	0.24	0.21	0.19	0.16	0.10
41	0.24	0.21	0.18	0.16	0.10
42	0.23	0.21	0.18	0.15	0.10
43	0.23	0.20	0.18	0.15	0.09
44	0.23	0.20	0.17	0.15	0.09
45	0.23	0.20	0.17	0.14	0.09
46	0.22	0.20	0.17	0.14	0.08

Table III -- Rates of Termination (continued)					
Year of Employment					
Age	First	Second	Third	Fourth	Fifth and later
47	0.22	0.19	0.17	0.14	0.08
48	0.22	0.19	0.16	0.13	0.08
49	0.22	0.19	0.16	0.13	0.08
50	0.21	0.19	0.16	0.13	0.07
51	0.21	0.18	0.16	0.13	0.07
52	0.21	0.18	0.15	0.12	0.07
53	0.21	0.18	0.15	0.12	0.07
54	0.20	0.18	0.15	0.12	0.06

Form of payment

Information submitted by the actuary shows that a significant number of participants tend to defer receipt of their benefits after termination of employment. In addition, the information indicates that during the experience study period, the percentage of eligible employees who elect to take their distributions in the form of a lump sum has increased and is approaching 100%.

The proposed assumptions assume that 100% of eligible participants will elect a lump sum payment. Grandfathered benefits will continue to be assumed to be paid in the form of an annuity.

When filing Form 5500 for the plan year beginning on January 20 enter on an attachment to the Schedule B (Actuarial Information) the date of this letter and label the attachment "**Schedule B, line 11 – Change in Actuarial Assumptions Approval Date.**"

If you have any questions regarding this matter, please contact _____ of our office :

Sincerely yours,



David M. Ziegler, Manager
Employee Plans Actuarial Group 2

cc: